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UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

**KELLY KELSEY, CHRISTINE KOTROUS,
LINDA NOONAN, CHRISTINE OTTENS,
RITA ROBERTSON, KARYN SUGGS and
SHERRY WICKLER,**

Plaintiffs,

vs.

**GOLDSTAR ESTATE BUYERS
CORPORATION, a Minnesota corporation,
and WILLIAM ULRICH, an individual,**

Defendants.

Case No. 13-cv-00354-HU

**DEFENDANTS GOLDSTAR
ESTATE BUYERS
CORPORATION'S AND
WILLIAM ULRICH'S
MOTION TO DISMISS**

Fed. R. Civ. P. 12(b)(6)

Request for Oral Argument

RULE 7(A) CERTIFICATION

Defendants certify that they made a good faith effort through personal and telephone conference to resolve the dispute and have been unable to do so.

MOTION TO DISMISS

Defendants Goldstar Estate Buyers Corporation and William Ulrich, individually and jointly, move to dismiss Plaintiffs' Amended Complaint on the following grounds:

1. As to All Claims (1-9) by All Plaintiffs: Each Plaintiff fails to state claims upon which relief may be granted (Fed. R. Civ. Pro. 12(b)(6)) because Plaintiffs do not make short and plain statements of the claims showing that they each are entitled to relief (Fed. R. Civ. Pro. 8(a)(2)) as that standard has been interpreted by the Supreme Court in *Bell Atlantic Corporation v. Twombly*, 550 U.S. 544 (2007) and *Ashcroft v. Iqbal*, 556 U.S. 662 (2009). All of Plaintiffs' claims should be dismissed, and Plaintiffs should be required to assert well-pleaded facts to support each of their claims.

2. As to Claims 1-4 (Involuntary Servitude – ORS 30.867; Trafficking in Persons – ORS 30.867; Sex Trafficking – 18 USC § 1595; Forced Labor – 18 USC § 1595) by all Plaintiffs: Plaintiffs fail to state claims upon which relief may be granted (Fed. R. Civ. Pro. 12(b)(6)) because Plaintiffs do not state sufficient factual matter to state claims for relief that are plausible on their face. *See Ashcroft v. Iqbal*, 556 U.S. 662 (2009). In particular, threats of unemployment cannot satisfy the necessary elements of “coercion” or “force.”

3. As to Claim 7 (Wrongful Discharge) by Plaintiffs Kotrous and Noonan:¹ Plaintiffs fail to state a claim upon which relief may be granted (Fed. R. Civ. Pro. 12(b)(6)) because their claim for common law wrongful discharge is precluded by the statutory scheme that addresses the same alleged misconduct.

¹ No other Plaintiffs asserted a claim for wrongful discharge (Claim 7).

4. As to Claim 9 (Breach of Implied Covenant of Good Faith and Fair Dealing)

by all Plaintiffs: Plaintiffs fail to state a claim upon which relief may be granted (Fed. R. Civ. Pro. 12(b)(6)) because “Minnesota does not recognize an implied covenant of good faith and fair dealing in employment contracts.” *See Bratton v. Menard, Inc.*, 438 N.W.2d 116, 118 (Minn. App. 1989).

This motion is supported by the accompanying memorandum of points of authorities, the pleadings in this matter, subsequent argument offered by Defendants in writing or at oral argument, and any other matter properly before the Court.

Respectfully Submitted,

GORDON & REES LLP

SMITH FREED & EBERHARD

/s/ Daniel J. Nichols

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Dated: January 21, 2014